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UNIVERSAL DIRECT  
TELEVISION INC.

FCC MAIL

November 24, 1993

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The Honorable Donna R. Searcy  
Secretary  
Federal Communications Commission  
1919 M Street, N.W.  
Washington, D.C. 20554

Re: Limitations on Commercial Time on Television Broadcast  
Stations, MM Docket No. 93-254.

We, Universal Direct Television, Inc. are sending this letter to oppose the Commission's Notice of Inquiry that time limitations be imposed on the amount of commercial time that can be broadcast by television stations.

Our company has been in the infomercial business for nine years, since 1985. From 1985- to-1988 we have purchased infomercial air-time for various advertisers. In 1989 we shifted direction, but remained in the infomercial business. Since 1989 Universal Direct Television, Inc. has sold infomercial media time for various TV channels and has provided infomercial media consulting services to the infomercial industry. In the last nine years we have experienced phenomenal growth of infomercials in two areas.

1. In the amount of time being purchased by infomercial advertisers - (from \$30 million in 1985 to \$400 million in 1993).
2. Also in the amount of sales from infomercials, which has risen to in excess of one billion dollars in 1993.

In short, we've have witnessed the growth of the industry from seed to forest. For your information, 99% of the 1,200 commercial television stations in the U.S. accept infomercials.

On the premise that there would be an expansion in the number of information resources available to viewers, the 1984 Television Deregulation order eliminated prior restrictions on the number of commercials that could be broadcast.

In this competitive marketplace, the viewers themselves would determine the appropriate amount of commercial programming by choosing which programs to watch. It was the FCC's belief that the marketplace would respond to this relaxation of restraints on commercial programming by developing new commercial offerings.

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This growth has already been witnessed with the innovation of the program-length commercial which has competed for viewer attention, developing a large audience despite other television programs. The fact that viewers tune in these commercial programs demonstrates that there is a specific consumer need for this type of programming. Viewer interest would not be satisfied if the FCC reimposes time limitations.

In just a few years time, numerous video channels have become available to consumers. Furthermore, this burgeoning technological age promises numerous information and video programming resources.

Since the FCC's predictions have proved themselves, the government should not attempt to reinstitute time limitations that would be completely inappropriate for the sophistication of our available commercial information resources.

As the number of video channels is rapidly increasing, it would seem counterproductive to impose a content-based discrimination against entertaining and informative commercial subjects.

Infomercials also provide an increasingly popular forum for commercial speech. If the FCC imposes time restriction, they curtail these commercial formats, raising First Amendment consideration.

By providing revenues to broadcast stations, program-length commercials help support free over-the-air television. In fact, infomercial advertisers purchased in excess of \$400 million in 1993 on both national cable networks, and on local broadcast stations. We estimate that \$300 million of the \$400 million purchased for infomercials, from all TV stations, was purchased on local broadcast stations. Many television stations benefit greatly from the revenues derived from the sale of infomercial media time. If the FCC were to impose restrictions on the showing of infomercials, numerous television stations would suffer irreparable financial damage.

In conclusion, the FCC should not impose restrictions on the broadcast of commercial time. Most important, there really has been no justification for imposing any time restriction on commercial programs. In fact, it would seem that the progress of our growing technology of information dissemination would be hindered if such restrictions are imposed.

Sincerely,



David Chaladoff  
President